

THE WHITE HOUSE
WASHINGTON

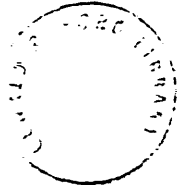
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SECRET (GDS)

MEETING WITH MOHAMMAD AZIZ NAIM
SPECIAL ENVOY OF PRESIDENT DAUD OF AFGHANISTAN

Thursday, July 1, 1976
4:30 p.m. (30 minutes)
The Oval Office

From: Brent Scowcroft *BS*



I. PURPOSE

This is the first visit by a ranking Afghan official to this country since President and Prime Minister Mohammad Daoud resumed power in a 1973 coup. The Afghans hope this visit will underscore both Afghanistan's traditional non-aligned foreign policy and U.S. willingness to continue playing a modest role in helping the Afghans avoid excessive Soviet influence. Naim is bringing you a personal message from Daoud and is expected to present you with a gift for the American people keyed to the Bicentennial. His biography is at Tab A and his schedule in Washington at Tab B. Secretary Kissinger is hosting a luncheon, Senator Percy a dinner, and the Senate Foreign Relations Committee a luncheon.

Your purpose in this meeting will be:

- to underline continued U.S. interest in an independent and stable Afghanistan;
- to encourage the process of rapprochement between Pakistan and Afghanistan;
- to emphasize your personal interest in controlling international narcotics; and
- to encourage the Afghans to play a constructive role at the upcoming non-aligned meeting in Colombo.

Subject to GDS of E. O. 11652
Automatically Downgraded at Two
Year Intervals and Declassified on
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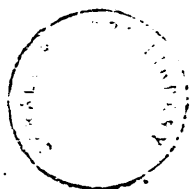
II. BACKGROUND, PARTICIPANTS AND PRESS ARRANGEMENTS

- A. Background: U.S.-Afghan relations are good and there are no major outstanding bilateral issues. Afghanistan traditionally has sought to strike a balance in its relations with the great powers. While the Afghans recognize that the world is no longer bipolar, they feel themselves uncomfortably close to the Soviet Union and actively seek to keep their relations with us in good order to balance the larger Soviet presence.

Naim has long been personally identified with the view that a strong and visible American presence in Kabul is important -- politically, economically, and psychologically -- to provide a counterweight to the Soviets. Naim is expected to press for a continued U.S. commitment to Afghanistan's economic development.

Afghanistan's chief interest for the United States derives from its strategic location between the Middle East, Central Asia, and South Asia. While the country by itself projects little influence, developments within Afghanistan can have an important impact on our overall area interests, particularly as our traditional allies, Iran and Pakistan, may be affected. Excessive Soviet influence in Afghan affairs, particularly in times of crisis, could increase the physical and psychological vulnerability of these countries.

Pakistani Prime Minister Bhutto made an unprecedented visit to Kabul June 7-11. The visit appears to presage a positive turn in the bilateral relations of these frequently hostile neighbors. The two states are divided over the issue of Pushtunistan--Afghanistan's claim to represent the interests of Pushtun (or Pathan) tribesmen living on the Pakistani side of the border (the Durand Line), who are closely related to the dominant group in Afghanistan. Pakistan considers this to be unacceptable Afghan meddling in its internal affairs. The Afghans maintain they do not desire the physical break-up of Pakistan but simply want Pakistan to extend to the tribes the autonomy promised by that country's constitution. This issue was not resolved



during the recent summit, but bilateral relations appear to be on the upswing. No U.S. involvement, beyond urging the two parties to continue to work toward better relations, would be warranted.

Afghanistan has also displayed over the past couple of years greater interest in good relations with Iran--seeing it as an increasingly influential force in South Asia and a source of financing for economic development projects. The Afghans are wary of the possibility of excessive Iranian influence, while at the same time they are pleased with some of the programs Iran has undertaken in Afghanistan and of Iranian efforts to improve relations between themselves and Pakistan.

Afghanistan Political/Economic Scene

The Daoud regime appears to have strengthened its position within Afghanistan during the past year and has improved its relations with its neighbors. The former king, who was also Daoud's first cousin and brother-in-law, has been living quietly in exile in Rome since his ouster in the 1973 coup. Most, if not all, of those imprisoned at that time have been released, and Daoud has promised a constitution to institutionalize the new republican regime and to provide some mechanism for a succession to the one-man rule of the 67-year old leader.

The influence of the leftists in the Cabinet and the military, who helped bring Daoud back to power has been drastically reduced in the past year. This shift appears to have been occasioned less by ideological considerations than by a desire to return power to a more traditional Afghan ruling elite and does not appear to have worried the Soviets unduly. These changes may also have been stimulated in part by a minor uprising in the summer of 1975 by a right-wing religious group (possibly with some covert Pakistani support) which reflected the basic antipathy of most Afghans to leftist forces.



Economically, Afghanistan is one of the six poorest nations in the world. It is on the UN's list of most seriously affected (MSA) countries. Per capita income is well under \$100 per year. The country, however, has sufficient arable land, usually enough water, and sufficient other resources to feed and clothe its people. Unlike most other nations on the MSA list, Afghanistan has a very good chance of developing self-sufficiency, at least in the production of basic staples.

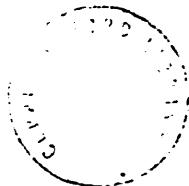
AID

Afghanistan receives economic assistance from a wide array of bilateral and multilateral donors, including sizable amounts from Iran and other OPEC members.

Since the U.S. aid program to Afghanistan began in 1951, we have provided close to half billion dollars in economic and technical assistance, second only to the Soviet Union. Much of the early assistance financed capital-intensive infrastructure projects. Over the past two years, the AID program has been revised in accordance with the new AID legislation to focus on the needs of the rural poor, who comprise 85 percent of the country's population. While the Afghans have reluctantly accepted that the U.S. is no longer able to finance large capital intensive projects, they are seeking reassurance that the U.S. will continue to provide strong support for Afghanistan's long-term economic development.

Most of the new AID projects are still in the pilot stages of implementation but are expected to expand substantially over the coming year. In pure technical assistance terms, our program in Afghanistan is among the five largest such AID programs in the world. Our FY 1976 AID program is expected to total \$8.9 million. We are requesting \$14.3 million in FY 77.

Naim may raise Afghanistan's outstanding request for 4,000 metric tons of edible oil worth approximately \$2.6 million under the PL 480 program. The Department of State and AID have supported this proposal while OMB has objected because of what it perceives as a proliferation of relatively small programs which could eventually exert an upward pressure on the budget. You have been provided a separate decision memorandum on this issue.



Narcotics

Increases in Afghan opium production are cause for serious concern. While Afghan seizures of illicit opium went up significantly this year, so did acreage planted to poppies. The UN estimates that opium cultivation, including the Helmand Valley where we have substantial AID activity, was up over 100 percent compared to last year. As yet, there is no indication that any illicit Afghan opium is reaching the United States, but there are indications of growing sophistication of processing and trafficking which could portend to shift to European or North American markets.

Multilateral Issues

Afghanistan is a member of all broadly based non-aligned organizations and is expected to become a full member of the Non-Aligned Coordinating Committee next year. Unfortunately, at international forums the Government of Afghanistan's primary foreign policy goal of preserving Afghan independence has come to mean knee-jerk adherence to the positions of the non-aligned movement, frequently placing Afghanistan in opposition to our interests. They have, however, supported us on Puerto Rico and consistently abstained on hostile Korean resolutions.

It would be useful for you to speak frankly with Naim about our interest in truly neutral Afghan behavior in international fora-- your concerns will undoubtedly be accurately and sympathetically reported to President Daoud.

- B. Participants: Mohammad Aziz Naini, Special Envoy of President Daoud of Afghanistan; Ali Ahmad Khurram, Minister of Planning; Samad Chaus, Director General of the Foreign Ministry; Secretary of State Kissinger, and Brent Scowcroft.
- C. Press Arrangements: Meeting to be announced. Press photo session at beginning of meeting.

III. TALKING POINTS

A. General

-- I am pleased that relations between our two countries are good and that there are no outstanding issues between us.

-- Please convey my best wishes to your brother, President Daoud.

B. U.S. -Afghan Relations

-- The United States has been pleased to assist Afghanistan's development over the past 25 years and we will make every effort to continue our assistance in the future.

-- We think that our private companies, as well as the government, can be useful to you in your search for talent and resources to speed your economic development.

C. Pakistan-Afghanistan Relations

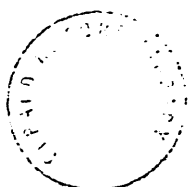
-- I was pleased that President Daoud and Prime Minister Bhutto got together for a summit meeting in Kabul. Such moves are very significant in developing understanding and stable relationships in the area.

-- Your agreement to restrict hostile propaganda, and the generally positive tone of the meetings were encouraging.

-- I would appreciate hearing your views on better relations with Pakistan and also on what appears to be a general improvement in relations between the countries of South Asia, including India and Iran.

D. Afghan-Iran Relations

-- The United States appreciates and strongly supports the Shah's efforts to promote regional development and stability, including the use of Iranian funds for regional programs.



-- I am pleased that Iran has offered to assist you in several large infrastructure projects, one of which, I understand, is a railroad linking your country with Iran.

E. Afghan-Soviet Relations (If raised by the Afghans)

-- From a geo-political point of view, it is necessary for Afghanistan to have good relations with the Soviet Union.

-- I have every confidence in your ability to continue to maintain your independence and I support your policy of cultivating friendship with all countries.

F. Narcotics

-- I am personally very concerned about international narcotics traffic. This is a serious problem in this country and it is a growing problem worldwide.

-- I am pleased that the United Nations is helping you with this difficult problem and we have been glad to contribute to this program.

-- I am disturbed, however, by recent reports of an increase in opium cultivation in Afghanistan and I hope you will be able to reverse this most unfortunate trend.

G. Multilateral Issues

-- It is my judgment that the non-aligned nations can play a more constructive role in international affairs.

-- The United States is attempting to be as forthcoming as possible on economic issues of concern to the developing world. This is made more difficult when public opinion in this country is aroused by hostile action by the developing countries on issues of concern to the U.S.

-- We have been grateful for your support on the Committee of 24 on Puerto Rico. I hope we will be able to count on this support in the future should this issue be raised again.

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-- It would be extremely helpful if you could encourage others to resist the temptation to engage in counter-productive propaganda. Such initiatives as an attempt to suspend Israel from the United Nations are very counter-productive and, if successful have grave consequences for the UN as an institution and for U.S. participation in the UN.

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